

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 Fremont, 21st Floor
San Francisco, California 94105**

ER02025956

December 19, 2002

PROPOSED PLAN OF OPERATIONS TEXT¹

CALIFORNIA LOW COST AUTOMOBILE INSURANCE PROGRAM

Amend Section 25 to read as follows:

Section 25. EXTENT OF COVERAGE

A. Coverages and Limits

1. Bodily Injury and Property Damage Coverage

The assigned insurer shall be required to write a policy for bodily injury liability coverage in amounts of \$10,000 per person and \$20,000 per occurrence, and property damage liability coverage in the amount of \$3,000 in accordance with the California Insurance Code.

A Low Cost Auto Insurance Policy written by an insurer for the above limits shall meet the requirements of the financial responsibility law of the California Vehicle Code.

2. Additional Coverages Available from Assigned Insurer

An insured assigned under the LCA has the option to also purchase from the assigned insurer additional coverage to be written in the same policy as the liability coverage. The assigned insurer will offer the following coverages to Low Cost Auto Program applicants:

- a. Uninsured Motorists Bodily Injury Coverage at limits of \$10,000 per person and \$20,000 per occurrence.

Notwithstanding the coverage amounts required by the California Insurance and Vehicle Codes, uninsured motorists bodily injury coverage written in conjunction with a Low Cost Auto Policy, with coverage limits at least equal to the limits of liability in the underlying Low Cost Auto Policy, shall satisfy

¹ The proposed changes amend the California Automobile Insurance Low Cost Program Plan of Operations approved by the Commissioner.

the requirements of the California Insurance Code and the financial responsibility requirements of the California Vehicle Code.

However, uninsured motorists bodily injury coverage may be rejected if the assigned insurer and named insureds have agreed in writing to delete this protection. If coverage is previously rejected, the assigned insurer need not make an offer to provide this coverage in a renewal policy.

b. Medical Payments Coverage at a limit of \$1,000 per person

~~2.~~ 3. Other Insurance

[The remainder of this section remains unchanged.]

Amend Section 27 to read as follows:

Section 27. PREMIUM DETERMINATION

[Paragraphs A and B remain unchanged.]

C. Rates

1. Liability Coverage

CALIFORNIA LOW COST CLASS CODES

[The remainder of subsection 1. remains unchanged.]

2. Uninsured Motorists Bodily Injury Coverage at \$10,000/\$20,000 limits

For new business and renewals, effective January 1, 2003 and subsequent

<u>Los Angeles County</u>	<u>\$64.00</u>
<u>San Francisco City and County</u>	<u>\$39.00</u>

3. Medical Payments Coverage at \$1,000 limits

For new business and renewals, effective January 1, 2003 and subsequent

<u>Los Angeles County</u>	<u>\$26.00</u>
<u>San Francisco City and County</u>	<u>\$24.00</u>